

in paragraph 5, above.

7. FEEDER acknowledges that cattle feeding is a risky venture with many hazards affecting the profitability thereof. FEEDER acknowledges that it is entering into his contract based upon its own judgment and that it is not relying upon any promises, inducements, or representations from COOP or from any other person. No representations, warranties or guaranties as to any loss or profit has been made by COOP. FEEDER also understands that the full amount of the reserve described in Paragraph 1 hereof is at risk and may not cover the full amount of FEEDER'S potential loss under the terms of this contract. In the event of a loss in excess of the reserve FEEDER agrees to promptly reimburse COOP for any such loss.
8. FEEDER acknowledges that COOP is a Cooperative Association organized under Iowa laws and that this Contract constitutes an "exempt security" under section 502.202(13) of the Code of Iowa (1993).
9. By the above terms of this agreement, title to the Cattle is held by COOP and FEEDER has no rights or interest in said Cattle beyond those specified in this agreement. However, in the event any Third Party attempts to claim that title to the cattle is vested in FEEDER and not in COOP, or that the Cattle are the assets of the FEEDER, FEEDER agrees that COOP shall be deemed to have a Purchase Money Security Interest in the Cattle and that COOP, at COOP's discretion, may file a UCC-1 Financing Statement, which will reflect and perfect its interest in the Cattle.
10. This Agreement is the full and final expression of the agreement between the parties concerning the subject matter hereof. The written terms hereof may not be contradicted or varied by evidence of any prior or contemporaneous agreement, practice, or communication between FEEDER and COOP or any Third Parties.
11. This Agreement shall be binding upon the heirs, successors and assigns of the parties hereto, and shall be construed in accordance with the laws of the State of Iowa.
12. COOP will use its best efforts to provide notice as required under this contract. The failure of COOP to provide notice to the FEEDER as required under the terms of this contract shall not constitute a breach of this contract.

- Agreement has been executed on the day and year first above written.

FARMERS COOP SOCIETY
317 Third Street NW
Sioux Center, IA 51250

By Bernie Punt

FEEDER: _____
Address: _____

Phone: _____

By _____